

The Honorable MARSHA J. PECHMAN

**UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE**

CASSIE CORDELL TRUEBLOOD, next  
friend of A.B., an incapacitated person, et al.,

Plaintiffs,

v.

THE WASHINGTON STATE  
DEPARTMENT OF SOCIAL AND  
HEALTH SERVICES, et al.,

Defendants.

NO. 2:14-cv-1178 MJP

DECLARATION OF  
RICHARD PANNKUK

I, RICHARD PANNKUK, am over the age of 18 years of age, competent to testify to the matters below, and declare based upon personal knowledge:

1. I am the Assistant Secretary for the Finance, Facilities and Analytics Administration (FFA) and the Chief Financial Officer for the Department of Social and Health Services (the Department). I make this declaration based on my personal knowledge and review of business records maintained at the Department in the normal course of business.

2. As Assistant Secretary, I manage operational issues for over 1,000 staff within eleven offices across the state of Washington to include strategic planning, performance management, human resources, employer relations, quality assurance, and risk management. I develop long-term strategic plans that support resources allocation, priority setting, and budget

1 development for the Administration's full range of programs and services. I manage complex,  
2 cross-agency, multi-million-dollar projects that support over 2 million clients; to include  
3 Behavioral Health transformation and Integrated Eligibility and Enrollment.

4 3. Preceding my current position, I spent three years as the Deputy Assistant  
5 Secretary for FFA. Prior to this I served as a Senior Budget Assistant for the Governor's Office  
6 of Financial Management from 2012 until 2019, where I directly managed the Office of  
7 Financial Management's (OFM) health and human services portfolio, including making high  
8 level budget and legislative recommendations to the Governor. I served as the Director for the  
9 Department's Division of Finance and Operation Support from 2004 until 2012, and was  
10 responsible for overseeing the biennial and supplemental budgets for the Children's  
11 Administration, encompassing \$1 billion and 2,800 staff.

12 4. I am aware of a recent Order in this matter, dated July 7, 2023, and directing the  
13 Department to pay \$100,318,000.00, from a larger amount of fines held in abeyance.

14 5. This is a significant amount of money for the Department, and equals  
15 approximately 6.9% of the Behavioral Health Administration's total biennial, legislatively  
16 appropriated, budget of \$1,448,984,000 dollars.

17 6. We are still early in the first year of this two year budget, and so the Department  
18 would be able to access these funds now, to pay the Court. Said differently, the Department  
19 currently has more than \$100,318,000 in unspent funds remaining in its budgeted appropriation  
20 that it would be able to redirect to pay the fine, rather than for the services for which the  
21 appropriation was intended.

22 7. Were the Department to spend this money now, however, it would risk detriment  
23 to individuals in need of the behavioral health services it must provide. Specifically, there  
24 would be risk that the legislature did not grant the Department any supplemental funds in its  
25 next legislative session, and then that the Department would eventually run out of funds  
26

1 prematurely and prior to the end of this biennium. As a result, the Department would be forced  
2 to reduce numbers of staff or cease provision of certain behavioral health programs.

3 8. Accordingly, I believe the better, and more comprehensive mechanism for  
4 obtaining the money to pay the \$100,318,000.00 would be to make a request for supplemental  
5 funds to the Legislature, so that they could weigh that request holistically during their next  
6 session, and ideally provide additional funds so that these fines could be paid without a  
7 reduction in any services elsewhere.

8 9. My understanding of the legislative process includes understanding that the next  
9 legislative session is a shorter 60 day session, to begin on January 8, 2024. I believe the soonest  
10 that “early legislative action” could occur would be January 31, 2024; that the session is set to  
11 end on March 8, 2024, and that it may take until April 15, 2024 for the Governor to sign any  
12 bills, including funding and supplemental budget bills.

13 I declare under penalty of perjury under the laws of the United States and the State of  
14 Washington that the foregoing is true and correct to the best of my knowledge.

15 Signed this 3rd day of August 2023, at \_\_\_\_\_, Washington.

16  
17  
18 \_\_\_\_\_  
19 RICHARD PANNKUK  
20 Assistant Secretary, CFO  
21 Facilities, Finance and Analytics Administration  
22 Department of Social and Health Services  
23  
24  
25  
26

**CERTIFICATE OF SERVICE**

I, *Marko Pavela*, state and declare as follows:

I am a citizen of the United States of America and over the age of 18 years and I am competent to testify to the matters set forth herein. I hereby certify that on this \_\_\_\_ day of \_\_\_\_\_ 2023, I caused to be electronically filed with foregoing document with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to the following:

David Carlson: [davide@dr-wa.org](mailto:davide@dr-wa.org)

Kimberly Mosolf: [kimberlym@dr-wa.org](mailto:kimberlym@dr-wa.org)

Elizabeth Leonard: [bethl@dr-wa.org](mailto:bethl@dr-wa.org)

Christopher Carney: [Christopher.Carney@CGILaw.com](mailto:Christopher.Carney@CGILaw.com)

Sean Gillespie: [Sean.Gillespie@CGILaw.com](mailto:Sean.Gillespie@CGILaw.com)

David JW Hackett: [david.hackett@kingcounty.gov](mailto:david.hackett@kingcounty.gov)

I certify under penalty of perjury under the laws of the state of Washington that the foregoing is true and correct.

Dated this \_\_\_\_\_ day of August 2023.

\_\_\_\_\_  
MARKO PAVELA  
Assistant Attorney General